

Contract No. TI-500

Massachusetts Institute of Technology
77 Massachusetts Avenue
Cambridge 39, Massachusetts

Gentlemen:

1. Introduction

An order is hereby placed with the University for performing for the Government the work as set forth in Exhibit "A" which is attached hereto and hereby made a part hereof.

2. Direction to Proceed

Except as otherwise expressly provided to the contrary herein, the University is directed, upon its acceptance of this order, to proceed immediately to procure the necessary materials, and to commence the performance of the work called for herein, and to pursue such work with all diligence to the end that the work will be accomplished.

3. Contract Clauses Incorporated by Reference:

(a) The provisions of the contract clauses set forth in the following paragraphs of the Air Force Procurement Instructions in effect on the date hereof and the additional clauses which are made a part of this Letter Contract in Exhibit "A" are hereby incorporated into this Letter Contract by reference with the same force and effect as though herein set forth in full:

7-403.1 (Definitions); 7-403.3 (Limitation of Cost); 7-403.4 (Allowable Cost and Payment); 7-403.5 (Inspection); 7-403.7 (Records); 7-403.8 (Subcontracts); 7-403.9 (Utilization of Small-Business Concerns); 7-403.10 (Termination); 7-403.11 (Excusable Delays); 7-403.12 (Disputes); 7-403.13 (Notice and Assistance Regarding Patent Infringement); 7-403.14

7-403.15 (Contract Clauses)

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(Buy American Act); 7-403.15 (Convict Labor); 7-403.16 (Eight-Hour Law of 1912); 7-403.17 (Nondiscrimination in Employment); 7-403.18 (Officials Not to Benefit); 7-403.19 (Covenant Against Contingent Fees); 7-403.20 (Patent Rights); 7-403.21 (Government Property); 7-403.22 (Insurance Liability to Third Persons); 7-403.23 (Authorization and Consent); 7-403.25 (Reproduction and Use of Technical Data); 7-404.1 (Employment of Aliens); 7-404.3 (Filing of Patent Applications); 7-404.4 (Reporting of Royalties); 7-404.5 (Copyrights); 7-404.7 (Military Security Requirements); 7-404.8 (Walsh-Healey Public Contracts Act); 7-404.9 (Gratuities); 7-405.1 (Notice to the Government of Labor Disputes).

(b) Reference in any of the clauses enumerated in (a) above to contract prices or adjustments in contract prices and delivery schedules to the extent such are not specifically included in this Letter Contract, shall be inapplicable, except that any adjustments in amounts finally payable to the University, or in time of performance required by such clauses, shall be made either at the time of settlement of the University's termination claim or shall be taken into account at the time of execution of the definitive contract contemplated herein.

4. Provision for Definitizing Contract:

By the University's acceptance hereof, it undertakes, without delay to enter into negotiations with the Government looking to the execution of a definitive contract which will include the clauses enumerated above and all other applicable clauses then required by Federal Law, Executive order, and applicable Procurement Regulations to be included in contracts for work of the kind herein described. The definitive contract will also contain a detailed delivery schedule and prices, terms and conditions as agreed to by the parties which may or may not be at variance with the provisions of this order. It is expected that such definitive contract will be executed prior to 1 November 1956 and will be a cost type.

5. Authority to Obligate Funds, and Subcontracts:

The University is not authorized to expend or obligate, in furtherance of its performance hereunder, more than \$15,000.00 in the aggregate.

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No contract, regardless of the amount thereof, shall be made by the University with any other party for furnishing any of the completed or substantially completed work herein called for, without the written approval of the Contracting Officer as to sources.

6. Alterations:

The following alterations of this Letter Contract have been made prior to the execution of this contract by parties hereto:

(a) In reference AFPI clause 7-403.7 (Records), delete the words "Comptroller General of the United States" and substitute in lieu thereof "comptroller of the contracting Government Agency or his authorized representative".

(b) In reference AFPI clause 7-403.20 (Patent Rights), the wording is amended to provide that the University agrees to and does grant to the Government all right, title and interest in and to each Subject Invention with no nonexclusive and royalty-free license to the University to practice any such invention.

(c) In reference AFPI clause 7-404.5 (Copyrights), the wording in (a)(i) is amended to provide that the University agrees to and does grant to the Government all right, title and interest in and to all copyrightable material with no royalty-free, nonexclusive and irrevocable license to the University to reproduce, translate, publish, use, and dispose of, all copyrightable material first produced or composed and delivered to the Government under this Contract by the University.

7. The University's acceptance of this order will be indicated by affixing its signature to the original and two copies thereof and returning the original and one executed copies to the Contracting Officer not later than 24 September 1956. Such acceptance will constitute this order a contract on the terms set forth herein.

THE UNITED STATES OF AMERICA

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BY

Contracting Officer

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